

DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

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**ADP BULLETIN**

Title Fiscal Year 2005-06 Governor's Budget (Preliminary) Allocation, 1.0		Issue Date: 2-28-05 Expiration Date:	Issue No. 05-02
Deputy Director Approval MICHAEL S. CUNNINGHAM Program Services Division	Function: <input type="checkbox"/> Information Management <input type="checkbox"/> Quality Assurance <input type="checkbox"/> Service Delivery <input checked="" type="checkbox"/> Fiscal <input type="checkbox"/> Administration	Supersedes Bulletin/ADP Letter No. N/A	

PURPOSE

This bulletin transmits the Fiscal Year (FY) 2005-06 Governor's Budget (Preliminary) Allocation to counties for informational and planning purposes. The enclosed allocation of funds is contingent upon enactment of the FY 2005-06 Budget Act, federal appropriations, and executed State/County contracts. After the FY 2005-06 Budget is enacted, a final notice will be sent to reflect any adjustments. This bulletin includes five exhibits: (1) Funding and Program Overview, (2) Individual County Allocation Notices, (3) Statewide Allocation Summary, (4) Substance Abuse Prevention and Treatment (SAPT) Block Grant Fund Exchange, and (5) Funding Periods Chart.

DISCUSSION

The Federal Fiscal Year (FFY) 2005 SAPT award was reduced by \$510,614. The Department of Alcohol and Drug Programs (ADP) has determined that for FFY 2005 (FY 2004-05), there are sufficient State support dollars to absorb this reduction rather than passing the reduction to the counties. This Preliminary Allocation reflects that ADP will continue to absorb this reduction for FFY 2006 (FY 2005-06). A reassessment of ADP's ability to absorb this reduction will occur when the FY 2005-06 Budget is enacted.

The SAPT Block Grant requires that ADP expend a minimum and a maximum of five percent of the total SAPT award on HIV early intervention services. Due to the FFY 2005 SAPT Block Grant reduction, ADP must reduce the FFY 2005 HIV Set-Aside. The amount of this reduction (\$25,531) will be offset by an increase in SAPT Discretionary funding on a dollar for dollar basis. This Preliminary Allocation reflects the same reduction and corresponding increase for FFY 2006. A reassessment of this corresponding increase will occur when the FY 2005-06 Budget is enacted.



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Fiscal Year 2005-06 is the second year of a three-year pilot allocation policy for SAPT Block Grant funds. ADP will exchange SAPT categorical funds (HIV Set-Aside, Perinatal Set-Aside, and Adolescent and Youth Treatment) from small Minimum Base Allocation counties (populations less than 40,000) with equal amounts of SAPT Discretionary funds from the remaining counties (populations of 40,000 or greater). This pilot project is intended to provide small counties with the flexibility to best meet the needs of their clients.

A balance of \$9,000 for Friday Night Live (FNL) programs and \$12,000 for Club Live (CL) programs is available for counties that currently do not receive FNL or CL funds. Requests for these funds must be submitted with the V.1 Budget Amendments. These amendments are required within 60 days of the release of the FY 2005-06 Budget Act Allocation.

HIGHLIGHTS OF THE FY 2005-06 GOVERNOR'S BUDGET (PRELIMINARY) ALLOCATION

- State General Fund (SGF)

A total of \$92.1 million in SGF is available. Of this amount, \$62.8 million is for Drug Medi-Cal (DMC) services. ADP has budget authority to allocate up to \$61.5 million for Regular DMC and \$1.3 million for Perinatal DMC services.

- SAPT Discretionary

This Preliminary Allocation includes an increase in FFY 2006 SAPT Discretionary funds of \$25,531. These funds will offset the HIV funds reduction on a dollar for dollar basis resulting in no fiscal impact on the counties. A reassessment of this increase will occur when the FY 2005-06 Budget is enacted.

- SAPT Prevention Set-Aside

The County Alcohol and Drug Program Administrators Association of California approved continuation of a one-time \$500,000 reduction to FFY 2006 SAPT Prevention Set-Aside funds for Technical Assistance for Prevention Outcomes and Measurements contracts.

- SAPT HIV Set-Aside

This Preliminary Allocation includes a reduction of \$25,531 in FFY 2006 SAPT HIV Set-Aside. This reduction was allocated using the HIV allocation methodology.

REFERENCES

- Senate Bill 52 (Chesbro) Budget of 2005
 - Assembly Bill 90 (Laird) Budget of 2005

BACKGROUND

Not applicable.

QUESTIONS/MAINTENANCE

Questions concerning the bulletin and any of the exhibits should be directed to Ms. Barbara Norton, Analyst, Program and Fiscal Policy Branch, at (916) 323-2019. Additional copies of this document and its exhibits may be requested through ADP's Resource Center by calling (800) 879-2772 and through ADP's Website at www.adp.ca.gov.

EXHIBITS

- [Funding and Program Overview](#)
- Individual County Allocation Notice (counties only)
- [Statewide Allocation Summary](#)
- [SAPT Block Grant Fund Exchange](#)
- [Funding Periods Chart](#)

DISTRIBUTION

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